

**GOVERNMENT OF INDIA
STEEL
LOK SABHA**

STARRED QUESTION NO:139
ANSWERED ON:28.11.2000
PUBLIC SECTOR STEEL UNITS
PRIYA RANJAN DASMUNSI

Will the Minister of STEEL be pleased to state:

- (a) the details of public sector steel units incurring losses since the Eighth Five Year Plan;
- (b) the steps the Government propose to take to improve the loss making units;
- (c) whether the Government propose to disinvest the public sector steel plants; and
- (d) if so, the details thereof?

Answer

MINISTER OF STATE FOR STEEL (SHRI BRAJA KISHORE TRIPATHY)

(a) to (d): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (A) TO (D) OF LOK SABHA STARRED QUESTION NO.139 TO ANSWERED ON 28TH NOVEMBER, 2000 TABLED BY SHRI PRIYA RANJAN DASMUNSI REGARDING PUBLIC SECTOR STEEL UNITS

(a) While Rashtriya Ispat Nigam Limited (RINL) and Indian Iron & Steel Company Limited (IISCO) have been incurring losses since the beginning of Eighth Five Year Plan, Steel Authority of India Limited (SAIL) has started incurring losses from the year 1998-99

(b) to (d): As for Steel Authority of India Limited (SAIL), the Government approved plan for its restructuring is under implementation with a view to increase its competitiveness and profitability.

While some of the non-core/non-viable assets of SAIL are to be converted into joint ventures as a part of restructuring plan, there is no proposal for disinvestment of Government equity in SAIL at present.

As for Rashtriya Ispat Nigam Limited (Visakhapatnam Steel Plant), the Disinvestment Commission has recommended the writing off of the entire accumulated losses of the Company as on 31.3.1999 alongwith disinvestment of not less than 51% of its remaining equity to a strategic buyer. No final decision has been taken by the Government on the recommendation of the Disinvestment Commission.